



**MICHAEL J. MURPHY**  
State Treasurer

State of Washington  
Office of the Treasurer  
**Local Government Investment Pool**

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August 2, 2004

**TO:** Local Government Investment Pool Participants

**FROM:** Michael J. Murphy  
State Treasurer

**SUBJECT: ADMINISTRATIVE FEE REBATE**

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The State Treasurer's Office has made a rebate of administrative fees to your account in the Local Government Investment Pool (LGIP). As you are aware the LGIP initially charges a monthly fee of 3.5 basis points (bp), or 0.035%, to cover the costs of operating the Investment Pool. At the end of the fiscal year, we determine the actual Pool expenses and rebate to the participants those collected administrative fees that were in excess of operational requirements.

During Fiscal Year 2004 the LGIP reported an average balance of \$4.962 billion. This resulted in a rebate of \$1,216,886.93, which reflects a net administrative charge of just over 1 basis point (actual calculation = 1.11 bp, or 0.0111%). Your proportionate share of the rebate, based upon your average daily balance for the fiscal year, is indicated on your monthly statement.

The LGIP's investment management, its size, and our determination to contain costs should enable the Pool to continue as a very competitive investment alternative for local governments in the State of Washington. Thank you for participating.

We are committed to providing quality service to local governments. Pool participants with needs, concerns, or suggestions for LGIP operations should feel free to call me at (360) 902-9001 or Jen Thun, the LGIP Administrator, at (800) 331-3284.